



STATE BOARD OF EQUALIZATION

1020 N STREET, SACRAMENTO, CALIFORNIA

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Controller, Sacramento

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Executive Director

April 26, 1989

TO COUNTY ASSESSORS:

No. 89/39

TITLE INSURANCE AND TRUST COMPANY (TICOR) v.
COUNTY OF RIVERSIDE, (1989) 48 CAL.3rd 84
REVENUE AND TAXATION CODE SECTION 64(c)
CHANGE IN OWNERSHIP BY ACQUISITION OF CORPORATE STOCK

The California Supreme Court ruled on February 27, 1989 (Title Insurance and Trust Company v. County of Riverside, (1989) 48 Cal.3rd 84) that Revenue and Taxation Code Section 64(c) applies, so as to require reassessment, where one corporation purchases all the shares of stock of another, and the real property subject to reassessment is owned not by the corporation whose stock has been purchased but by a wholly owned subsidiary of that corporation. On April 5, 1989 the plaintiff's petition for rehearing was denied.

This decision affirms the position long held by the Board which was stated in letter to assessors 79/191 dated October 26, 1979:

"...it is our opinion that when the stock of a holding company is purchased, there shall be a reappraisal of any real property owned by the holding company and a reappraisal of any real property owned by any corporation in which the acquired holding company owns more than 50 percent of the stock."

If you have any questions on this subject, contact our Real Property Technical Services Unit at (916) 445-4982.

Sincerely,

A handwritten signature in cursive script that reads 'Verne Walton'.

Verne Walton, Chief
Assessment Standards Division

VW:wpc
AL-27-0436V